

Assembly Bill No. 1059

Passed the Assembly August 28, 1998

Chief Clerk of the Assembly

Passed the Senate September 8, 1997

Secretary of the Senate

This bill was received by the Governor this ____ day
of _____, 1998, at ____ o'clock __M.

Private Secretary of the Governor

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CHAPTER ____

An act to add Section 1374.58 to the Health and Safety Code, and to add Section 10121.7 to the Insurance Code, relating to domestic partners.

LEGISLATIVE COUNSEL'S DIGEST

AB 1059, Migden. Domestic partners.

Existing law provides for the licensure and regulation of health care service plans administered by the Commissioner of Corporations. Under existing law, a willful violation of any of these provisions is punishable as either a felony or a misdemeanor. Existing law also provides for the regulation of policies of disability insurance administered by the Insurance Commissioner.

Existing law requires that health care service plans and disability insurers provide coverage for certain benefits and services.

This bill would require a health care service plan and a policy of disability insurance that offers hospital, medical, or surgical benefits on a group basis to offer coverage to an employer or association for a domestic partner of an employee, subscriber, or other person entitled to elect coverage to the same extent and subject to the same terms and conditions, as provided to a dependent of an employee, subscriber, or that other person. The bill would also require a health care service plan or a disability insurer that provides hospital, medical, or surgical benefits for employees, subscribers, or other persons entitled to elect coverage and their dependents to enroll as a dependent, upon application by the employer or group administrator, a domestic partner of the employee, subscriber, or that other person.

Since a willful violation of the provisions applicable to health care service plans is a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions



establish procedures for making that reimbursement, including the creation of a State Mandates Claims Fund to pay the costs of mandates that do not exceed \$1,000,000 statewide and other procedures for claims whose statewide costs exceed \$1,000,000.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 1374.58 is added to the Health and Safety Code, to read:

1374.58. (a) A health care service plan that offers hospital, medical, or surgical coverage on a group basis shall offer coverage to employers or associations for domestic partners of employees or subscribers to the same extent, and subject to the same terms and conditions, as provided to dependents of employees or subscribers.

(b) A health care service plan that provides hospital, medical, or surgical benefits for employees or subscribers and their dependents shall enroll as a dependent, upon application by the employer or group administrator, a domestic partner of an employee or subscriber in accordance with terms and conditions of the group contract that apply generally to all dependents under the plan, including coordination of benefits.

(c) Nothing in this section shall be construed to expand the requirements of Section 4980B of Title 26 of the United States Code, Section 1161 et seq. of Title 29 of the United States Code, or Section 300bb-1 et seq. of Title 42 of the United States Code, as added by the Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272), and as may be later amended.

SEC. 2. Section 10121.7 is added to the Insurance Code, to read:

10121.7. (a) A disability insurer that offers hospital, medical, or surgical coverage on a group basis shall offer coverage to employers or associations for domestic partners of employees or other persons entitled to elect



coverage to the same extent, and subject to the same terms and conditions, as provided to dependents of employees or those other persons.

(b) A disability insurer that provides hospital, medical, or surgical benefits for employees or other persons entitled to elect coverage and their dependents shall enroll as a dependent, upon application by the employer or group administrator, a domestic partner of an employee or other person entitled to elect coverage in accordance with terms and conditions of the group contract that apply generally to all dependents under the policy, including coordination of benefits.

(c) Nothing in this section shall be construed to expand the requirements of Section 4980B of Title 26 of the United States Code, Section 1161 et seq. of Title 29 of the United States Code, or Section 300bb-1 et seq. of Title 42 of the United States Code, as added by the Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272), and as may be later amended.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because in that regard this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Notwithstanding Section 17580 of the Government Code, unless otherwise specified, the provisions of this act shall become operative on the same date that the act takes effect pursuant to the California Constitution.



Approved _____, 1998

Governor

